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RUEHDO/AMEMBASSY DOHA 1495
RUEHKP/AMCONSUL KARACHI 8965
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TAGS: [ECON](#) [ECPS](#) [EIND](#) [EINT](#) [PREL](#) [PK](#)
SUBJECT: PAKISTAN TO BEGIN 3G LICENSING

Classified By: Ambassador Anne W. Patterson, Reasons 1.4 (b), (d)

¶1. (C) SUMMARY: The Pakistan Telecommunication Authority has announced that it will begin third-generation (3G) mobile phone licensing this year. Three licenses will be auctioned off, but only the five current mobile phone operators in Pakistan will be permitted to bid. By offering 3G licenses, Pakistan is positioning itself to be a regional leader in wireless broadband services. End Summary.

¶1. (U) The Pakistan Telecommunication Authority (PTA) will start 3G mobile phone licensing this year. 3G will allow mobile phone customers to access high speed internet and other data services from their mobile phones. Auction of the spectrum through competitive bidding is expected in mid-2008, and operators acquiring licenses through auction are expected to launch 3G services by the end of ¶22008. With an estimated 77 million mobile phone subscribers, 2.1 million Wireless Local Loop (WLL), and 4.7 million fixed line customers, Pakistan is a potentially lucrative market for 3G services.

¶2. (C) Aslam Shahab, Director of Licensing at the PTA, confirmed that the 3G licensing process has begun internally. The Frequency Allocation Board is in the process of clearing the core 3G band/spectrum at 2100 MHz. The spectrum is arranged in blocks of 5 MHz which will be auctioned off. The PTA will hold a seminar for the telecommunications industry in March 2008, and they will hold the license auction in June 2008. Mr. Shahab said that only the five existing mobile operators, Telenor Pakistan (majority Norwegian owned), Pakistan Mobile Communication Ltd (PMCL/Mobilink), PTML (Ufone; partially owned by Etisalat in the UAE), Warid Telecom (based in UAE and parent company of Wateen telecom) and China Mobile Pakistan (CMPak/Paktel) will be permitted to bid. Only three of the five will be granted licenses.

¶3. (C) COMMENT: Telenor, Mobilink and Warid Telecom are the strongest candidates for the 3G licenses. Warid is the parent company of Wateen, which is one of the two companies rolling out Wimax services in Pakistan. Wateen has partnered with Motorola on its Wimax project. The preparation for 3G license auctioning shows that the GOP continues to bet that Pakistan's telecoms industry will continue to boom. 3G will also give the winners an opportunity to market additional services in Pakistan's increasingly competitive telecoms market. Together with the launch of Wimax services, Pakistan intends to position itself as a regional leader in wireless broadband services. End comment.

PATTERSON